



Electric Utility Oversight Committee

Adopted in House Comm. on Mar 14, 2007

09500HB0894ham001

LRB095 05215 MJR 32938 a

1 AMENDMENT TO HOUSE BILL 894

2 AMENDMENT NO. _____. Amend House Bill 894 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Public Utilities Act is amended by changing
5 Section 16-115 as follows:

6 (220 ILCS 5/16-115)

7 Sec. 16-115. Certification of alternative retail electric
8 suppliers.

9 (a) Any alternative retail electric supplier must obtain a
10 certificate of service authority from the Commission in
11 accordance with this Section before serving any retail customer
12 or other user located in this State. An alternative retail
13 electric supplier may request, and the Commission may grant, a
14 certificate of service authority for the entire State or for a
15 specified geographic area of the State.

16 (b) An alternative retail electric supplier seeking a

1 certificate of service authority shall file with the Commission
2 a verified application containing information showing that the
3 applicant meets the requirements of this Section. The
4 alternative retail electric supplier shall publish notice of
5 its application in the official State newspaper within 10 days
6 following the date of its filing. No later than 45 days after
7 the application is properly filed with the Commission, and such
8 notice is published, the Commission shall issue its order
9 granting or denying the application.

10 (c) An application for a certificate of service authority
11 shall identify the area or areas in which the applicant intends
12 to offer service and the types of services it intends to offer.
13 Applicants that seek to serve residential or small commercial
14 retail customers within a geographic area that is smaller than
15 an electric utility's service area shall submit evidence
16 demonstrating that the designation of this smaller area does
17 not violate Section 16-115A. An applicant that seeks to serve
18 residential or small commercial retail customers may state in
19 its application for certification any limitations that will be
20 imposed on the number of customers or maximum load to be
21 served.

22 (d) The Commission shall grant the application for a
23 certificate of service authority if it makes the findings set
24 forth in this subsection based on the verified application and
25 such other information as the applicant may submit:

26 (1) That the applicant possesses sufficient technical,

1 financial and managerial resources and abilities to
2 provide the service for which it seeks a certificate of
3 service authority. In determining the level of technical,
4 financial and managerial resources and abilities which the
5 applicant must demonstrate, the Commission shall consider
6 (i) the characteristics, including the size and financial
7 sophistication, of the customers that the applicant seeks
8 to serve, and (ii) whether the applicant seeks to provide
9 electric power and energy using property, plant and
10 equipment which it owns, controls or operates;

11 (2) That the applicant will comply with all applicable
12 federal, State, regional and industry rules, policies,
13 practices and procedures for the use, operation, and
14 maintenance of the safety, integrity and reliability, of
15 the interconnected electric transmission system;

16 (3) That the applicant will only provide service to
17 retail customers in an electric utility's service area that
18 are eligible to take delivery services under this Act;

19 (4) That the applicant will comply with such
20 informational or reporting requirements as the Commission
21 may by rule establish and provide the information required
22 by Section 16-112. Any data related to contracts for the
23 purchase and sale of electric power and energy shall be
24 made available for review by the Staff of the Commission on
25 a confidential and proprietary basis and only to the extent
26 and for the purposes which the Commission determines are

1 reasonably necessary in order to carry out the purposes of
2 this Act;

3 (5) (Blank) ~~That if the applicant, its corporate~~
4 ~~affiliates or the applicant's principal source of~~
5 ~~electricity (to the extent such source is known at the time~~
6 ~~of the application) owns or controls facilities, for public~~
7 ~~use, for the transmission or distribution of electricity to~~
8 ~~end users within a defined geographic area to which~~
9 ~~electric power and energy can be physically and~~
10 ~~economically delivered by the electric utility or~~
11 ~~utilities in whose service area or areas the proposed~~
12 ~~service will be offered, the applicant, its corporate~~
13 ~~affiliates or principal source of electricity, as the case~~
14 ~~may be, provides delivery services to the electric utility~~
15 ~~or utilities in whose service area or areas the proposed~~
16 ~~service will be offered that are reasonably comparable to~~
17 ~~those offered by the electric utility, and provided~~
18 ~~further, that the applicant agrees to certify annually to~~
19 ~~the Commission that it is continuing to provide such~~
20 ~~delivery services and that it has not knowingly assisted~~
21 ~~any person or entity to avoid the requirements of this~~
22 ~~Section. For purposes of this subparagraph, "principal~~
23 ~~source of electricity" shall mean a single source that~~
24 ~~supplies at least 65% of the applicant's electric power and~~
25 ~~energy, and the purchase of transmission and distribution~~
26 ~~services pursuant to a filed tariff under the jurisdiction~~

1 ~~of the Federal Energy Regulatory Commission or a state~~
2 ~~public utility commission shall not constitute control of~~
3 ~~access to the provider's transmission and distribution~~
4 ~~facilities;~~

5 (6) With respect to an applicant that seeks to serve
6 residential or small commercial retail customers, that the
7 area to be served by the applicant and any limitations it
8 proposes on the number of customers or maximum amount of
9 load to be served meet the provisions of Section 16-115A,
10 provided, that the Commission can extend the time for
11 considering such a certificate request by up to 90 days,
12 and can schedule hearings on such a request;

13 (7) That the applicant meets the requirements of
14 subsection (a) of Section 16-128; and

15 (8) That the applicant will comply with all other
16 applicable laws and regulations.

17 (e) A retail customer that owns a cogeneration or
18 self-generation facility and that seeks certification only to
19 provide electric power and energy from such facility to retail
20 customers at separate locations which customers are both (i)
21 owned by, or a subsidiary or other corporate affiliate of, such
22 applicant and (ii) eligible for delivery services, shall be
23 granted a certificate of service authority upon filing an
24 application and notifying the Commission that it has entered
25 into an agreement with the relevant electric utilities pursuant
26 to Section 16-118. Provided, however, that if the retail

1 customer owning such cogeneration or self-generation facility
2 would not be charged a transition charge due to the exemption
3 provided under subsection (f) of Section 16-108 prior to the
4 certification, and the retail customers at separate locations
5 are taking delivery services in conjunction with purchasing
6 power and energy from the facility, the retail customer on
7 whose premises the facility is located shall not thereafter be
8 required to pay transition charges on the power and energy that
9 such retail customer takes from the facility.

10 (f) The Commission shall have the authority to promulgate
11 rules and regulations to carry out the provisions of this
12 Section. On or before May 1, 1999, the Commission shall adopt a
13 rule or rules applicable to the certification of those
14 alternative retail electric suppliers that seek to serve only
15 nonresidential retail customers with maximum electrical
16 demands of one megawatt or more which shall provide for (i)
17 expedited and streamlined procedures for certification of such
18 alternative retail electric suppliers and (ii) specific
19 criteria which, if met by any such alternative retail electric
20 supplier, shall constitute the demonstration of technical,
21 financial and managerial resources and abilities to provide
22 service required by subsection (d) (1) of this Section, such as
23 a requirement to post a bond or letter of credit, from a
24 responsible surety or financial institution, of sufficient
25 size for the nature and scope of the services to be provided;
26 demonstration of adequate insurance for the scope and nature of

1 the services to be provided; and experience in providing
2 similar services in other jurisdictions.

3 (Source: P.A. 90-561, eff. 12-16-97; 91-50, eff. 6-30-99.)".